

MINUTES
LEGISLATIVE RESEARCH COMMISSION (LRC)
ENERGY POLICY ISSUES

COMMITTEE MEETING

March 21, 2012

Questions and Answers

Presentation on CNG Vehicles
Jeffrey Clarke, General Counsel
NGVAmerica

Senator Rucho, the one slide where you briefly discussed a comparable amount of gasoline per gallon vs. natural gas with the same energy output. You are saying that is about \$1.50 to \$2.00 cheaper with natural gas?

Mr. Clarke: Natural gas, if it is sold retail throughout the U.S., there is a NIST standard for that, 5.66 lbs. If you put in cubic feet like your gas bill you get at home, it is about 121 to 125 cubic feet of gas, is the gasoline gallon equivalent. A therm is 100,000 BTU's for a reference point.

Senator Goolsby: It is interesting to hear now that we have 100 plus years' supply of natural gas, I remember over the last few years with the off-shore drilling committees, they weren't worth even checking out and there did not appear to be anything there and now all of a sudden as we look across the nation we see the President sign on board. I guess, even after our last meeting, the Governor who vetoed our Energy Jobs Act, is now into natural gas and that is very nice to see how much has changed. I remember the first meeting we had on this issue, Mr. Chairman, where I believe the Department of Commerce and the Department of Environment and Natural Resources pretty much told us it was too much trouble to get into this. Worried about water and all these other things, and apparently maybe that is changing and that is good. I am concerned, though, when I see presentations with all of this call immediately for tens of millions of dollars in subsidies for a fuel that, I believe as we were told by Piedmont Natural Gas, is about \$1.38 per gallon equivalent to what we are paying approximately \$4 today. Interesting that we would need all this money to help build infrastructure for something that would be in so much demand. I can understand maybe not having an excise tax to encourage the private sector to do what the private sector does a lot better than the government and that is build things that work. I would just hope that as we move along through this, the General Assembly takes a very long and hard look at trying to pay the private sector to do what it does better than anyone else.